HENRY A. WAXMAN, CALIFORNIA, CHAIRMAN

TOM LANTOS, CALIFORNIA
EDOLPHUS TOWNS, NEW YORK
PAUL E. KANJORSKI, PENNSYLVANIA
CAROLYN B. MALONEY, NEW YORK
ELIJAH E. CUMMINGS, MARYLAND
DENNIS J. KUCINICH, OHIO
DANNY K. DAVIS, ILLINOIS
JONN F. TIERNEY, MASSACHUSETTS
WM. LACY CLAY, MISSOURI
DIANE E. WATSON, CALIFORNIA
STEPHEN F. LYNCH, MASSACHUSETTS
BRIAN HIGGINS, NEW YORK
JOHN A. YARMUTH, KENTUCKY
BRUCE L. BRALEY, IOWA
ELEANOR HOLMES NORTON,
DISTRICT OF COLUMBIA
BETTY MCOLULM, MINNESOTA
JIM COOPER, TENNESSEE
CHRIS VAN HOLLEN, MARYLAND
PAUL W. HODES, NEW HAMPSHIRE
CHRISTOPHER S. MURPHY, CONNECTICUT
JOHN P. SARBANES, MARYLAND
CHISTOPHER S. MURPHY, CONNECTICUT
JOHN P. SARBANES, MARYLAND

PETER WELCH, VERMONT

ONE HUNDRED TENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

2157 RAYBURN HOUSE OFFICE BUILDING

WASHINGTON, DC 20515-6143

MAJORITY (202) 225–5051 FACSIMILE (202) 225–4784 MINORITY (202) 225–5074

www.oversight.house.gov

June 17, 2008

The Honorable Robert M. Gates Secretary U.S. Department of Defense 1000 Defense Pentagon Washington, DC 20301

Dear Mr. Secretary:

I am writing regarding recent allegations that Defense Department contractors have been overcharging the U.S. government to ship fuel to U.S. bases in Iraq. According to a recent press account regarding International Oil Trading Company (IOTC), "For each gallon of jet fuel that is delivered to the U.S. military in Iraq, IOTC charges the Pentagon \$1.08 over the market price." According to this account, the Pentagon confirmed that "IOTC was not the lowest bidder" for this contract, but that IOTC was the only company with a "Letter of Authorization" from the Jordanian government, which was a Defense Department requirement in the contract.²

To assist the Committee in examining these allegations, I request that you provide the following information relating to IOTC contracts with the Defense Department:

- 1. Copies of all contracts, task or delivery orders, statements of work, or other agreements between the Defense Department and IOTC or any of its subsidiaries, affiliates, or subcontractors relating to shipping fuel to Iraq;
- 2. All requests for proposals issued by the Defense Department relating to these contracts;
- 3. All contract proposals, amendments, modifications, and revisions submitted to the Defense Department relating to these contracts;

TOM DAVIS, VIRGINIA, RANKING MINORITY MEMBE

DAN BURTON, INDIANA
CHRISTOPHER SHAYS, CONNECTICUT
JOHN M. MCHUGH, NEW YORK
JOHN L. MICA, FLORIDA
MARK E. SOUDER, INDIANA
TODD RUSSELL PLATTS, PENNSYLVANIA
CHRIS CANNON, UTAH
JOHN J., DUNCAN, JR., TENNESSEE
MICHAEL R., TURNER, OHIO
DARRELLE I. ESSA, CALIFORNIA
KENNY MARCHANT, TEXAS
LYNN A. WESTMORELAND, GEORGIA
PATRICK T., MCHENRY, NORTH CAROLINA
URGINIA FOXX, NORTH CAROLINA
BILLS ALI, IDAHO
JIM JORDAN, OHIO

¹ Iraq Fuel Deal Sparks Suit, MSNBC.com (May 28, 2008).

² *Id*.

- 4. All documents relating to the evaluation of proposals by the Defense Department relating to these contracts, including any weaknesses or deficiencies addressed in the technical, cost, and price evaluations of the proposals;
- 5. All justifications and other documents relating to the Defense Department's use of competitive procedures other than "full and open competition" in awarding these contracts;
- 6. All communications since January 1, 2005, between IOTC representatives and officials from the Defense Department, including the Defense Logistics Agency and the Defense Energy Support Center, relating to the solicitation and award of these contracts;
- 7. Copies of any "Letters of Authorization" or similar documents from the Jordanian government or its representatives to the Defense Department or IOTC or its representatives relating to these contracts, and any communications regarding these letters; and
- 8. All audits, evaluations, reports, or other assessments of the performance of IOTC relating to these contracts.

Please provide this information by Friday, July 11, 2008.

The Committee on Oversight and Government Reform is the principal oversight committee in the House of Representatives and has broad oversight jurisdiction as set forth in House Rule X. An attachment to this letter provides additional information about how to respond to the Committee's request.

If you have any questions about this request, please contact David Rapallo or Steve Glickman of the Committee staff at (202) 225-5420.

Sincerely,

they G. Wagner

Henry A. Waxman Chairman

Enclosure

cc:

Tom Davis

Ranking Minority Member